



Medicaid Benchmark

Advocates' Perspective

DHCS Stakeholder Advisory Committee
July 23, 2012

“Securing Health Rights for Those in Need”

National Health Law Program

- National public interest law firm working to advance access to quality health care and protect the legal rights of low-income and underserved people
- Offices in Washington D.C., California, and North Carolina
- Comprehensive analysis of health care reform law; ongoing updates
- Visit our website at: www.healthlaw.org

Overview

- Medicaid and Essential Health Benefits (EHB) interaction
- Aligning benefit coverage offered to different Medicaid populations

Medicaid and EHBs

- Effective January 1, 2014 any Medicaid Benchmark benefit package or benchmark-equivalent coverage must provide at least the EHBs.
 - Medicaid benchmark selected must be supplemented with the EHBs
- EHB requirement enhances, but does not replace existing Medicaid benchmark requirements.
 - EHB is a floor, not a ceiling, on benefits for Medicaid beneficiaries

Medicaid and EHB Interaction

Further HHS guidance is needed on how states will know if their Medicaid benchmark appropriately covers the EHBs, and if necessary, how to supplement.

HHS guidance to date does not indicate whether states must follow the same approach for supplementing benefits in Medicaid, as it must follow for EHBs in the individual and small group market.

Medicaid Benchmark Design

**Alignment of Benefit Coverage:
how it can be done and the
value of it**

What type of benefit alignment are we referring to?

Aligning benefits received by the traditional Medi-Cal population and the newly eligible Expansion population

Aligning benefit coverage (Step 1)

Step 1: Select Medi-Cal benefits package as Medicaid Benchmark under Secretary-Approved Coverage Option and supplement with EHBs



Aligning benefit coverage (Step 2)

Step 2: The EHBs must be offered to traditional Medi-Cal population as well



Aligning Benefit Coverage— Importance of Step 2

- In order for the benefit packages to be the same, the EHBs must be added to traditional Medi-Cal coverage.
- Without Step 2 the Expansion population would receive a more comprehensive benefits package than the traditional population.
 - Those “exempt” from benchmark coverage would not have access to these additional services

Value of Aligning Benefits

- Consistency
 - For example, households where children are eligible for traditional Medi-Cal and the parents are eligible through the Expansion will receive the same benefits package.
- Alignment of benefits for the traditional and newly eligible Expansion populations is important because of the likelihood of churning between these two groups.

Value of Aligning Benefits

- Minimize Administrative Complexity
- Simpler eligibility and enrollment process can lead to potential cost-savings for the state
- No need for additional level of eligibility determination if benefits packages are the same
- For example:
 - 1931(b) parents
 - Disability Determinations

Questions

Michelle Lilienfeld

Senior Attorney

National Health Law Program

(310) 736-1648

lilienfeld@healthlaw.org